

HUA TAN MANUFACTURING COMPANY LIMITED

BUSINESS PLAN

FOR

YEARS 2023, 2024, 2025, 2026 & 2027

Prepared by
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Executive Summary:

HUA TAN MANUFACTURING CO. LIMITED is a textile manufacturing company located in Dar es salaam, Tanzania. The company will manufacture a range of textile products including African print fabric, clothing, and accessories. The company's mission is to provide high-quality textile products that celebrate African culture and design while also contributing to the economic growth of the region.

Introduction:

HUA TAN Manufacturing Company Limited is registered company under the Tanzanian Company Act Registration Number 163892987. Our main line of business will operate in the textile manufacturing industry, and we will specialize in the production of high-quality African print fabric, clothing, and accessories. We will utilize modern equipment and technology to ensure our products meet international standards, and we will employ skilled personnel to guarantee the quality of our products.

Market Analysis:

Tanzania's textile industry has great potential as the government has placed a high priority on the development of the industry, and there is a growing demand for African print fabrics worldwide. In addition, Tanzanians are increasingly embracing locally made products. Therefore, HUA TAN will target the local market, as well as the international market, with a focus on Europe, the US, and Africa.

Products and Services:

HUA TAN will manufacture a range of textile products, including African print fabric, clothing, and accessories. We will use high-quality materials, including 100% cotton and wax prints, to create our products. Our manufacturing process will involve modern equipment and technology to ensure the quality of our products. We will offer a wide range of designs and patterns, including custom-made prints, to meet the unique needs of our customers.

Our products will be distributed through the country and through partnerships with other retailers. We will also offer online sales to reach a wider customer base.

Our products will be as follows:

- 1) Apparel
- 2) Garments
- 3) Technical Textile
- 4) Home Textile

Operations Plan:

Our manufacturing process will involve sourcing high-quality raw materials, the best of the best cotton from Tanzania, utilizing modern equipment and technology to produce high-quality products, and maintaining strict quality control measures throughout the production process.

Textile is a flexible material formed using different processes, such as knitting, weaving, felting, or crocheting. These materials are used in the manufacturing of a wide range of conventional, as well as advanced finished goods, in kitchen, upholstery, bedding, transportation, construction, protective, handbags, medical, apparel, ties & clothing accessories

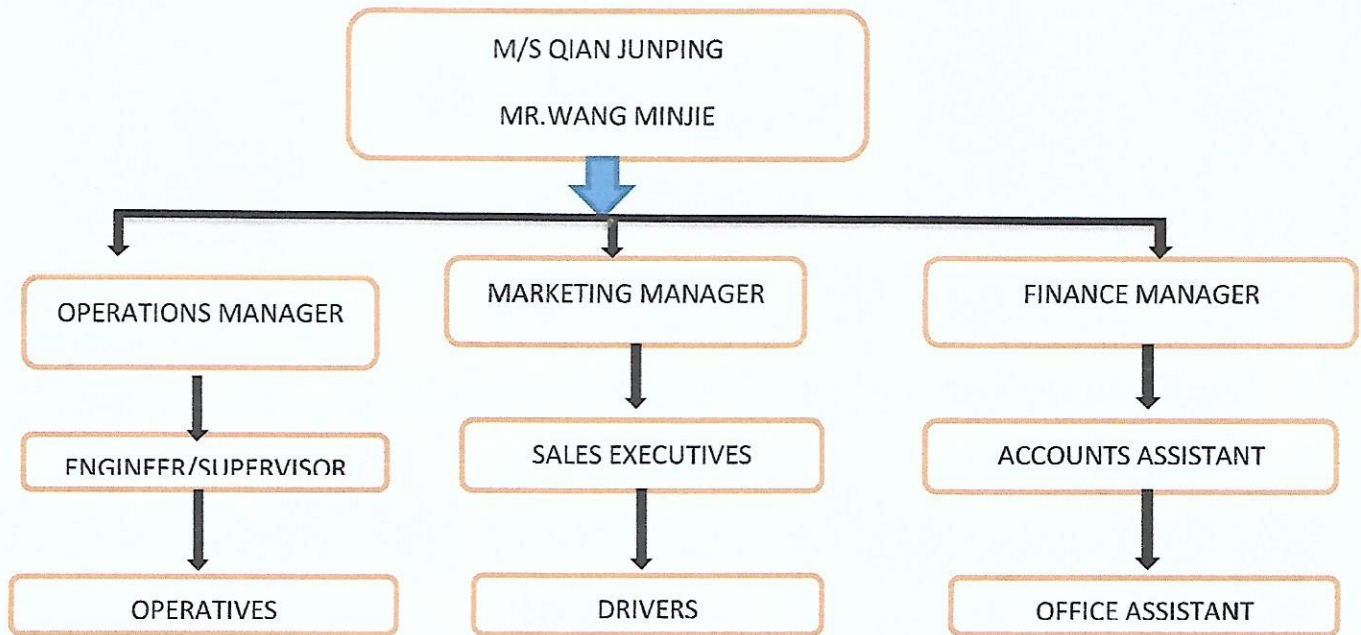
The manufacturing process is here below:



Management and Organization:

HUA TAN will be managed by a team of experienced and skilled personnel who will be responsible for the day-to-day operations of the business.

The team will be headed by a CEO who is Madam Qian Jinping. There will be a production manager, a marketing manager, a finance manager, and other personnel as necessary.



Financial Plan:

The company's startup capital which is Tshs 300 million will be sourced from Directors personal savings and loans from financial institutions.

The company expects to generate revenue of Tshs. 100 million in the first year of operation, increasing to Tsh. 200 million in the second year. The company will require Tshs. 50 million in funding to purchase new machinery, raw materials, and marketing activities. The company expects to break even in the second year of operation and generate profits of Tshs. 50 million in the third year.

The company's financial projections for the first three years of operation are as follows:

HUA TAN MANUFACTURING CO LIMITED

BUDGET AND CASH FORECAST – 2023 TO 2027

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PARTICULARS	TOTAL	2023	2024	2025	2026	2027
A: INCOME - INFLOW						
Sales of Fabrics	1,520,000	120,000	200,000	300,000	400,000	500,000
Sales offcuts/leftovers (Mashudu)	300,000	30,000	50,000	60,000	70,000	90,000
Directors Investment - Shareholdings	300,000	300,000		-	-	-
Bank Loan/ Grant -	900,000		900,000			
TOTAL INCOME	3,020,000	450,000	1,150,000	360,000	470,000	590,000
B: EXPENDITURE - OUTFLOW						
1) Capital						
Buildings	45,000	20,000	25,000			
Machinery/ Spinning/Weaving	600,000	150,000	450,000			
Raw Cotton	900,000	60,000	120,000	180,000	240,000	300,000
Furniture & Office Equipment	6,000	3,000	3,000			
TOTAL CAPITAL	1,551,000	233,000	598,000	180,000	240,000	300,000
2) Production Costs						
Utilities - Water	37,000	4,000	6,000	8,000	9,000	10,000
Utilities – Power	340,000	40,000	60,000	70,000	80,000	90,000
TOTAL PRODUCTION COSTS	377,000	44,000	66,000	78,000	89,000	100,000
3) Operating Costs						
Salaries	83,520	12,000	24,000	15,840	15,840	15,840
Transportation	27,600	4,800	5,400	6,600	5,400	5,400
Communication / Telephone	15,000	1,800	2,400	3,600	3,600	3,600
Insurance	14,400	1,200	2,400	3,600	3,600	3,600
Land Lease	15,000	3,000	3,000	3,000	3,000	3,000
Audit Fees	15,000	3,000	3,000	3,000	3,000	3,000
TOTAL OPERATING COSTS	170,520	25,800	40,200	35,640	34,440	34,440
4) Loan Repayment (TEN YEARS REPAYMENT)	412,000		103,000	103,000	103,000	103,000
5) PROFIT AND LOSS	509,520	147,200	342,800	(36,640)	3,560	52,600